

REPORTS ANALYSIS REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: November 26, 2007

ANALYST: Leah S. Palmer

- I. COMMITTEE: Trupiano for Congress
C00415612
Kenneth Kranz, Treasurer¹
7236 North Lafayette Street
Dearborn Heights, MI 48127
- II. RELEVANT STATUTE: 2 U.S.C. §434(b)(8)
11 CFR §104.3(d)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Negative Ending Cash-On-Hand Balance)

Trupiano for Congress ("the Committee") disclosed a negative ending cash-on-hand balance of \$38,200.95 on their 2006 30 Day Post-General Report and a negative ending cash-on-hand balance of \$34,317.31 on each of the following reports: 2006 Year End, 2007 April Quarterly, and 2007 July Quarterly (Attachment 2).

On December 15, 2006, the Committee filed the 2006 30 Day Post-General Report covering the reporting period of October 19, 2006 through November 27, 2006. The report disclosed an ending cash-on-hand balance on Line 8 (Cash on Hand at Close of Reporting Period) of -\$38,200.95 (Image 26930738573).

On January 18, 2007, a Request for Additional Information ("RFAI") was sent to the Committee referencing the 2006 30 Day Post-General Report. The RFAI explained

¹ Mr. Kranz submitted a copy of his resignation letter to the Commission on May 21, 2007 as part of a challenge to administrative fine imposed for the Committee's failure to file the 2006 Year End Report. Since the challenge is currently open, this letter does not appear on the public record. No official notification of appointment of a new treasurer has been submitted to the FEC.

that the negative cash-on-hand balance may constitute a prohibited contribution if their bank account was overdrawn and covered by the financial institution through an automatic overdraft protection. The RFAI further stated that the Committee should correct the negative ending cash-on-hand balance by checking for any mathematical discrepancies or submitting a Schedule D (Debts and Obligations) disclosing this value as a debt (Images 27039342666-7).

The Committee failed to file the 2006 Year End Report, due January 31, 2007 and the 2007 April Quarterly Report, due April 15, 2007, in a timely manner. Notices of Failure to File (RQ-7) were sent for both of these reports on February 20, 2007 and April 30, 2007, respectively (Images 27039391967 and 27039433880).

On May 8, 2007, the candidate, Tony Trupiano ("the Candidate"), called to say that he was trying to file the missing reports². He told the Reports Analysis Division (RAD) Analyst that the Committee's records were lost when the finance director, who had unofficially taken over the filing duties, took the records with her after the election. The Candidate was attempting to retrieve the records but was told that she had already mailed the records back. The Analyst advised the Candidate that he would need to recreate the records in order to file the reports electronically. The Candidate told the Analyst that the "old" treasurer³ was going to help him file the reports (Attachment 3).

On May 15, 2007, the treasurer of record, Kenneth Kranz, called to find out which reports were missing. He stated that he was trying to help the Committee as they could not locate the current treasurer. The Analyst informed him that the Year End and April Quarterly Reports would need to be filed as soon as possible. The Analyst also advised Mr. Kranz that he would need to get another password and that he could contact the Electronic Filing Office for assistance in downloading the previously filed electronic reports from the Commission's website (Attachment 3).

On May 18, 2007, Mr. Kranz called to state that he had filed paperwork with the Committee some time ago resigning as treasurer; however, the Committee never appointed a new treasurer. The Analyst informed Mr. Kranz of each of the reports the Committee needed to file. Mr. Kranz explained that he was experiencing financial difficulties, did not have the time to devote to fixing the reports, and did not believe the missing reports were his responsibility because he had previously resigned from the Committee. The Analyst asked if he had a copy of his resignation letter. Mr. Kranz said he would look for it and get back in touch with the Analyst. The Analyst also informed Mr. Kranz that the Committee would be receiving a notice regarding a fine for failing to file the 2006 Year End Report (Attachment 3).

² At this time, the Committee had not yet filed the 2006 Year End Report (due January 31, 2007) or the 2007 April Quarterly Report (due April 15, 2007.)

³ The Candidate was referring to Kenneth Kranz, the Committee's treasurer of record since they began filing with the Commission in October 2005. Although the Committee noted in conversations with Analysts that Mr. Kranz resigned from the Committee, the Committee never amended its Statement of Organization (FEC FORM 1) to reflect this. (See Footnote 1 on the previous page).

On May 21, 2007, the Committee filed the 2006 Year End Report, covering the reporting period of November 28, 2006 through December 31, 2006. The report disclosed an ending cash-on-hand balance on Line 8 (Cash on Hand at Close of Reporting Period) of -\$34,317.31 (Image 27990091370).

On May 21, 2007, the Committee filed the 2007 April Quarterly Report covering the reporting period of January 1, 2007 through March 31, 2007. The report disclosed an ending cash-on-hand balance on Line 27 (Cash on Hand at Close of Reporting Period) of -\$34,317.31 (Image 27930740701).

On June 14, 2007, a RFAI referencing the 2006 Year End Report was sent to the Committee. The RFAI referenced the negative ending cash-on-hand balance. The RFAI explained that the negative cash-on-hand balance may constitute a prohibited contribution if their bank account was overdrawn and covered by the financial institution through an automatic overdraft protection. The RFAI further stated that the Committee should correct the negative ending cash-on-hand balance by checking for any mathematical discrepancies or submitting a Schedule D disclosing this value as a debt (Image 27039452960).

On July 3, 2007, a RFAI referencing the 2007 April Quarterly Report was sent to the Committee. The RFAI again referenced the negative ending cash on hand balance (Image 27039461521).

On July 12, 2007, the Committee filed the 2007 July Quarterly Report covering the reporting period of April 1, 2007 through June 30, 2007. The report disclosed an ending cash-on-hand balance on Line 8 (Cash on Hand at Close of Reporting Period) of -\$34,317.31 (Image 27930886202).

On August 16, 2007, a RFAI referencing the 2007 July Quarterly Report was sent to the Committee. The RFAI again referenced the negative ending cash-on-hand balance (Image 27039510901).

On October 4, 2007, the Analyst attempted to contact the Candidate via telephone and left a message requesting that he return the call (Attachment 3).

On October 16, 2007, the Analyst again attempted to contact the Candidate. The Analyst left a detailed message for the Candidate informing him that due to the unresolved issues on the reports, the Committee would be referred for enforcement action if an adequate response was not received (Attachment 3).

On October 18, 2007, the Candidate contacted the Analyst to inquire as to what the problem was, and was informed about the negative cash-on-hand issue. The Candidate stated that some records were missing due to the Committee's neglectful campaign finance director, and said he was trying to contact the Treasurer and inform him of the situation. The Candidate mentioned that he had fallen into difficult times, was facing bankruptcy, and was currently working as a short-order cook. The analyst

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explained that if the negative cash-on-hand issue was not resolved by Friday, October 19, 2007, the matter would be referred (Attachment 3).

On October 11, 2007, the Committee filed the 2007 October Quarterly Report, covering the reporting period of July 1, 2007 through September 30, 2007 (Image 27931324984). The Committee continues to report ending cash-on-hand balance of -\$34,317.31.

On October 19, 2007, Mr. Kranz called the Analyst who advised him that if the corrections were not made by the end of the day, the issue would be referred for enforcement action. Mr. Kranz said that he had been waiting for bank statements for months and could not do anything until he had received them. He added that as he was not treasurer at that time, he did not know anything about the activity during the period and consequently could not make adjustments to the reports without additional information. The Analyst advised him that the matter would be referred (Attachment 3).

To date, the Committee has failed to amend their reports to correct this issue, and no further communications have been received from them regarding this matter.

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TRUPIANO, TONY

ID #H6MI11142

TRUPIANO FOR CONGRESS

HOUSE

ID #C00415612

Kranz, Kenneth

7236 N LAYFAYETTE

DEARBORN HEIGHTS MI 48127

FILING FREQUENCY: QUARTERLY

| FORM TYPE | RPT TYPE | AI | PGI | REC DATE | PGS | BEG IMAGE | COVERAGE DATES | BEG CASH | RECEIPTS | DISBURSE | END CASH | DEBTS BY |
|-----------|----------|----|-----|------------|-----|-------------|-----------------------|----------|----------|----------|----------|----------|
| 3 | YE | A | P | 4/14/2006 | 8 | 26950047377 | 10/01/2005 12/31/2005 | 0 | 13246 | 848 | 12398 | 0 |
| 3 | YE | A | | 6/05/2006 | 8 | 26940181315 | 10/01/2005 12/31/2005 | 0 | 13246 | 848 | 12398 | 0 |
| 3 | YE | A | | 7/19/2006 | 8 | 26940266905 | 10/01/2005 12/31/2005 | 0 | 13246 | 848 | 12398 | 0 |
| 3 | Q1 | N | | 4/14/2006 | 14 | 26930065140 | 1/01/2006 3/31/2006 | 12398 | 15450 | 13684 | 14163 | 0 |
| 3 | Q1 | A | | 6/05/2006 | 14 | 26950141826 | 1/01/2006 3/31/2006 | 12398 | 15450 | 13684 | 14163 | 0 |
| 3 | Q1 | A | | 7/19/2006 | 14 | 26950313785 | 1/01/2006 3/31/2006 | 12398 | 20450 | 13684 | 19163 | 0 |
| 3 | Q1 | A | | 12/15/2006 | 99 | 26930737490 | 1/01/2006 3/31/2006 | 12398 | 17433 | 28166 | 1664 | 0 |
| 3 | Q2 | N | | 7/15/2006 | 11 | 26930242350 | 4/01/2006 6/30/2006 | 14163 | 8870 | 3034 | 19999 | 0 |
| 3 | Q2 | A | | 7/19/2006 | 12 | 26960243201 | 4/01/2006 6/30/2006 | 19163 | 15070 | 3034 | 31199 | 0 |
| 3 | Q2 | A | | 12/15/2006 | 88 | 26940918347 | 4/01/2006 6/30/2006 | 1664 | 13034 | 24498 | 9799- | 0 |
| 3 | 12P | N | P | 7/31/2006 | 6 | 26960280798 | 7/01/2006 7/19/2006 | 31199 | 9238 | 0 | 40437 | 8750 |
| 3 | 12P | A | P | 9/18/2006 | 9 | 26950472290 | 7/01/2006 7/19/2006 | 31199 | 2881 | 5110 | 28970 | 5000 |
| 3 | 12P | A | P | 10/15/2006 | 9 | 26950578643 | 7/01/2006 7/19/2006 | 31199 | 2881 | 5110 | 28970 | 5000 |
| 3 | 12P | A | P | 12/15/2006 | 39 | 26940918435 | 7/01/2006 7/19/2006 | 9799- | 2467 | 5110 | 12443- | 4500 |
| 3 | Q3 | N | | 10/15/2006 | 28 | 26960519744 | 7/20/2006 9/30/2006 | 28970 | 38555 | 26736 | 40789 | 5000 |
| 3 | Q3 | A | | 12/15/2006 | 220 | 26930738034 | 7/20/2006 9/30/2006 | 12443- | 30438 | 26736 | 8740- | 4500 |
| 3 | Q3 | A | | 1/16/2007 | 218 | 27930046303 | 7/20/2006 9/30/2006 | 12443- | 22938 | 26736 | 16240- | 4500 |
| 3 | 12G | N | G | 10/26/2006 | 197 | 26950729230 | 10/01/2006 10/18/2006 | 40789 | 4954 | 6164 | 39578 | 5000 |
| 3 | 30G | N | G | 12/15/2006 | 19 | 26930738572 | 10/19/2006 11/27/2006 | 4926- | 9346 | 42620 | 38200- | 31041 |
| 3 | YE | N | | 5/21/2007 | 6 | 27990091369 | 11/28/2006 12/31/2006 | 34532- | 215 | 0 | 34317- | 0 |
| TOTAL | | | | | | | | | 83633 | 134142 | | |

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FEDERAL ELECTION COMMISSION
 OGC INDEX - (0) (2005-2006)

DATE 11/26/2007
 PAGE 1

TRUPIANO, TONY

ID #H6MI11142

TRUPIANO FOR CONGRESS

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Kranz, Kenneth

7236 N LAYFAYETTE

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FILING FREQUENCY: QUARTERLY

| FORM TYPE | RPT TYPE | AI | PGI | REC DATE | PGS | BEG IMAGE | COVERAGE DATES | BEG CASH | RECEIPTS | DISBURSE | END CASH | DEBTS BY |
|-----------|----------|----|-----|------------|-----|-------------|-----------------------|----------|----------|----------|----------|----------|
| 1 | | N | | 10/03/2005 | 5 | 25038903397 | | | | | | |
| 1 | | A | | 1/30/2006 | 5 | 26038964437 | | | | | | |
| 1 | | A | | 4/14/2006 | 4 | 26960056636 | | | | | | |
| 1 | | A | | 4/14/2006 | 4 | 26940080458 | | | | | | |
| 1 | | A | | 6/05/2006 | 4 | 26930166325 | | | | | | |
| 1 | | A | | 7/15/2006 | 4 | 26940255591 | | | | | | |
| MS | | 4 | | 10/29/2006 | 2 | 26950731736 | | | | | | |
| MS | | 4 | | 10/30/2006 | 1 | 26950733123 | | | | | | |
| MS | | 4 | | 10/31/2006 | 2 | 26940570990 | | | | | | |
| BB | YE | 2 | | 3/16/2006 | 3 | 26039013977 | 10/01/2005 12/31/2005 | | | | | |
| BB | YE | 2 | | 5/04/2006 | 3 | 26039071190 | 10/01/2005 12/31/2005 | | | | | |
| BB | Q1 | 2 | | 5/04/2006 | 3 | 26039071187 | 1/01/2006 3/31/2006 | | | | | |
| BB | Q1 | 2 | | 1/18/2007 | 5 | 27039342651 | 1/01/2006 3/31/2006 | | | | | |
| BB | Q2 | 2 | | 8/17/2006 | 3 | 26039170309 | 4/01/2006 6/30/2006 | | | | | |
| BB | Q2 | 2 | | 1/18/2007 | 5 | 27039342646 | 4/01/2006 6/30/2006 | | | | | |
| RR | 12P | 2 | | 8/17/2006 | 6 | 26039170312 | 7/01/2006 7/19/2006 | | | | | |
| RR | 12P | 2 | | 1/18/2007 | 5 | 27039342656 | 7/01/2006 7/19/2006 | | | | | |
| RR | 12P | 7 | | 7/28/2006 | 2 | 26039153636 | 7/01/2006 7/19/2006 | | | | | |
| RQ | Q3 | 2 | | 12/12/2006 | 4 | 26039311345 | 7/20/2006 9/30/2006 | | | | | |
| RQ | Q3 | 2 | | 1/18/2007 | 5 | 27039342661 | 7/20/2006 9/30/2006 | | | | | |
| RQ | 12G | 2 | | 12/12/2006 | 3 | 26039311349 | 10/01/2006 10/18/2006 | | | | | |
| RQ | 30G | 2 | | 1/18/2007 | 5 | 27039342666 | 10/19/2006 11/27/2006 | | | | | |
| RQ | YE | 2 | | 6/14/2007 | 3 | 27039452959 | 11/28/2006 12/31/2006 | | | | | |
| RQ | YE | 7 | | 2/20/2007 | 2 | 27039391967 | 11/28/2006 12/31/2006 | | | | | |
| 3 | YE | N | | 1/30/2006 | 8 | 26038964516 | 10/01/2005 12/31/2005 | 0 | 13246 | 848 | 12398 | 0 |

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FILING FREQUENCY: QUARTERLY

| FORM TYPE | RPT TYPE | AI | PGI | REC DATE | PGS | BEG IMAGE | COVERAGE DATES | BEG CASH | RECEIPTS | DISBURSE | END CASH | DEBTS BY |
|-----------|----------|----|-----|------------|-----|-------------|---------------------|----------|----------|----------|----------|----------|
| 1 | | A | | 12/29/2006 | 5 | 27039323661 | | | | | | |
| RQ | Q1 | 2 | | 7/03/2007 | 3 | 27039461521 | 1/01/2007 3/31/2007 | | | | | |
| RQ | Q1 | 7 | | 4/30/2007 | 2 | 27039433880 | 1/01/2007 3/31/2007 | | | | | |
| RQ | Q2 | 2 | | 8/16/2007 | 3 | 27039510901 | 4/01/2007 6/30/2007 | | | | | |
| 3 | Q1 | N | | 5/21/2007 | 4 | 27930740700 | 1/01/2007 3/31/2007 | 34317- | 0 | 0 | 34317- | 0 |
| 3 | Q2 | N | | 7/12/2007 | 4 | 27930886201 | 4/01/2007 6/30/2007 | 34317- | 0 | 0 | 34317- | 0 |
| 3 | Q3 | N | | 10/11/2007 | 4 | 27931324984 | 7/01/2007 9/30/2007 | 34317- | 0 | 0 | 34317- | 0 |
| TOTAL | | | | | | | | | 0 | 0 | | |

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Trupiano for Congress (C00415612)

**2006 30 Day Post-General Report/2006 Year End Report/2007 April Quarterly Report/
2007 July Quarterly Report**

Negative Cash-On-Hand Balance Overview

| Report | Ending Cash-On-Hand Balance (Line 8) | Image Number |
|--|---|---------------------|
| 2006 30 Day Post-General Report | -\$38,200.95 | 26930738573 |
| 2006 Year-End Report | -\$34,371.37 | 27990091370 |
| 2007 April Quarterly Report | -\$34,371.37 | 27930740701 |
| 2007 July Quarterly Report | -\$34,371.37 | 27930886202 |
| 2007 October Quarterly Report | -\$34,371.37 | 27931324984 |

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